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VIA ELECTRONIC MAIL

Mr. Phil Enis
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: CLEC input to batch hot cut collaborative status report

Dear Mr. Enis:

This letter is to provide an assessment from Covad Communications Company ("Covad"), MCI and AT&T California, Inc. ("AT&T") regarding the batch hot cut collaborative held on November 17, 2003. Our comments are based both on the testimony filed by SBC California and Verizon on November 7, 2003, and the presentations made by both ILECs during the collaborative.

As both Covad and MCI indicated on the record during the collaborative, unfortunately, there was no resolution reached on any of the substantive issues regarding the ILECs' creation of a new batch hot cut process. The lack of agreement was predominantly due to the lack of detail and/or willingness on the part of the ILECs to address many of the outstanding technical and operational issues.

For your convenience, we are providing a matrix of unresolved issues regarding SBC's lack of a sufficient proposal for a batch hot cut process. This matrix is a compilation of issues raised by CLECs in Triennial Review proceedings and collaboratives in other states, as well as during the November 17, 2003 collaborative in California. AT&T, Covad and MCI believe that all of the issues identified are critical to the development of a workable, seamless batch hot cut process capable of handling the high volumes of loop migrations from ILEC switches to CLEC switches, should ILEC UNE switching be withdrawn at the conclusion of this proceeding. The matrix indicates the CLEC sponsoring the issue and the date on which the CLEC raised it with SBC.

In addition to the issues matrix, AT&T, Covad and MCI would like to emphasize seven critical issues that remained at the conclusion of the November 17, 2003 collaborative.

1) The batch hot cut portion of this proceeding for both SBC and Verizon must stay on the same track. Bifurcating the hot cut hearings would be unworkable and inefficient, both in terms of resources and scheduling.

2) SBC has no workable proposal on batch hot cuts for any type of service (voice-only or voice plus DSL). Rather, SBC is at an extremely preliminary stage of analysis, and its "proposal" is more accurately viewed as an offer to submit a detailed proposal at a later date. Given the extremely short timeframes in the Triennial Review proceeding, and ALJ Pulsifer's order that batch hot cut proposals should have already been detailed in testimony filed November 7, 2003, it is critical that SBC be required to submit a specific, concrete batch hot cut proposal for CLEC review by December 15, 2003. CLECs should have until January 15, 2004 to respond to both SBC and Verizon's batch hot cut proposal. After the CLEC response, the Commission can determine a hearing schedule. Further, SBC and Verizon should be directed to participate in a second batch hot cut collaborative in December limited to an examination of hot cuts for line shared and line split loops.

The Commission should also understand that this proposed schedule will not allow CLECs to present comprehensive testimony on switching impairment on December 12, 2003. This is because the parties need to know the details of proposed batch hot cut processes before they are able to thoroughly and adequately address the operational and economic impairment issues that are to be addressed in their December 12 opening testimony. These issues overlap with batch hot cut issues. As only one obvious example, a party must know the nonrecurring or other charges the ILECs propose for batch hot cuts to assess economic impairment. As a result, CLECs must, at a minimum, be able to incorporate and address any additional detail about batch hot cut processes in their January 9, 2004 reply testimony.

Because SBC has chosen to challenge the FCC's finding of impairment regarding mass market switching, SBC has the burden to propose, implement, test and support a workable batch hot cut process necessary to cut customer loops from ILEC switches to CLEC switches. If SBC is allowed to continue to delay presenting a sufficient batch hot cut proposal for CLEC review, CLECs' interests will be severely prejudiced because they will have no meaningful opportunity to review and respond during the nine-month timeframe of this proceeding. Rather, the Commission should mandate an immediate deadline by which SBC must either present a detailed, workable batch hot cut process for voice-only, line shared and line split loops or else find that CLECs are impaired for the purpose of this nine month case, and therefore must continue to have access to switching UNEs from SBC unless and until SBC proposes, implements, tests and supports a robust batch hot cut process.

3) The batch hot cut analysis in this proceeding for both SBC and Verizon must include examination of migration scenarios for batch hot cuts of *existing* customers served by line shared DSL loops (SBC/Verizon voice and CLEC DSL) and line split DSL loops

(provisioned on UNE-P). ALJ Pulisfer has already ordered that line splitting is part of this case, and a batch hot cut process must be developed to move a) loops with SBC voice and CLEC DSL and 2) loops with line split CLEC voice and data to UNE loops as part of this proceeding. If no workable, seamless and well-tested process is proposed for Commission approval, CLECs are impaired from both an operational and economic perspective, and ILEC circuit switching must remain available to CLECs to serve customers who wish to have voice and data on the same loop. This impairment would continue until a batch hot cut process is in place for line shared and line split loops. There should also be an examination of migrations for line splitting and line sharing in a "real time" or post batch cut world and must include CLEC to CLEC migrations and CLEC to ILEC migrations as well.

4) SBC and Verizon must implement, test and prove that the batch cut processes the Commission adopts will work. Any other approach could result in serious problems, including customer outages if the proposed processes do not work at commercial volumes. At the workshop, SBC and Verizon stated that they did not plan to perform additional testing. This is simply inadequate. As the Commission need only adopt a process to be implemented at some point in time, the burden rests with the ILECs to establish that the batch cut process works. If they can not present such proof, including testing, within nine months, then the Commission may not lift the finding of impairment.

5) Verizon's proposal for batch hot cuts of voice loops provisioned on UNE-P is better than SBC's but it still needs work and additional details. In particular, Verizon should identify Operations Support Systems ("OSS"), processes and procedures that are different in California than for other regions of Verizon's service territories. Verizon-East's OSS have been more extensively detailed, and CLECs in California need to have the same level of detail so they can identify technical and operational differences.

In addition, Verizon's current hot cut process is manual and non-flow-through, both of which must be corrected. Verizon has no proposal for migrating line sharing or line split loops with voice and DSL, although Verizon indicated in the collaborative that it is willing to address this issue. Any proposal for migrating loops with line sharing and line splitting, and any improvements to Verizon's proposal for batch hot cuts for voice, must be made immediately to give CLECs sufficient time to review and respond during this nine-month proceeding.

5) SBC and Verizon should both identify what contract amendments or changes will be required to use their batch hot cut processes. If no interconnection agreement modifications are required, they should state that affirmatively. If ICA modifications are required, they should provide enough detail that CLECs can understand the details of the changes and the timeframe for making such changes.

6) During the collaborative, Tom McGuire representing Verizon stated that it might have to use the Mechanized Order Generator program to create UNE-P to UNE-L transition orders. This is not reflected in the workflows in Verizon's current batch hot cut proposal and should be added so that CLECs can evaluate it.

Thank you for the opportunity to provide input to the Staff Report regarding the status of the batch hot cut collaborative. Should you have any questions, please don't hesitate to contact me.

Sincerely,

Anita Taff-Rice
On behalf of Covad, MCI and AT&T